



28 APR 2006

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Transforming the Way We Do Business - Army Lean Six Sigma Deployment

1. Reference memorandum, Department of the Army, 11 July 2005, subject: Transforming the Way We Do Business.
2. The purpose of this memorandum is to emphasize the importance of the Army-wide use of Lean Six Sigma (LSS) and to endorse the LSS deployment order.
3. As the Army continues to prosecute the Global War on Terrorism, we are also aggressively transforming both the institutional and operational Army. We have made tremendous progress in transforming the operational Army to a modular force. We must now transform the business processes and functions in the Army in order to meet the equipping and resource needs of the modular force. We have published the deployment order to implement the LSS business methodologies to improve effectiveness and implement efficiencies that will free human and financial resources that can then be directly applied to operational requirements, as well as to more quickly provide better equipment to our Soldiers.
4. The LSS combines the principles of waste elimination (Lean) and reduction in variation, coupled with consistent repeatable performance (Six Sigma). These two approaches can be applied to any process, whether it is manufacturing, acquisition, logistics, administration, or service. The objective of using LSS methodologies is to deliver higher quality products and services more quickly and at a lower cost. We have already seen outstanding results using LSS at Army Materiel Command. We believe similar success can be duplicated throughout the Army.
5. We have already begun to apply the LSS methodologies in the Army. The Deputy Under Secretary of the Army for Business Transformation recently conducted a detailed assessment of major Army processes submitted by commands and HQDA principals. Based upon the results of that assessment, his office will separate processes into projects for analysis using the LSS methodology and prioritize these projects based on their potential to contribute to the Army's strategic objectives.

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6. All processes, programs and locations are subject to the application of LSS. Your organizations may nominate processes at the Army or multiple-organization level for LSS implementation. Additionally, the Office of the Assistant Secretary of the Army (Financial Management and Comptroller), (ASA [FMC]), in coordination with the Army Audit Agency (AAA), will identify high-cost and high-payoff areas within the Army budget. These two internal review agencies, along with the Department of the Army Inspector General, will provide insight into areas that have potential for using LSS.

7. The Senior Review Group (Business Transformation), co-chaired by the Deputy Under Secretary of the Army and the ASA (FM&C), will continue to manage LSS policy and strategic objectives, monitor the progress and provide progress reports to the Executive Office of the Headquarters.

8. Senior leaders must continue to lead business transformation and ensure it is implemented in a structured, disciplined, and methodical manner. Each of your organizations has identified a Deployment Director who will help determine appropriate staffing in your organization to support LSS implementation. Senior leaders will participate in executive training and process improvement events. Additionally, senior leaders will receive outbriefs on all LSS actions within their respective organizations. The Army has also initiated a training program to educate the leadership in your organizations about LSS and prepare them for their roles and responsibilities.

9. Workforce training is also in progress. The Army is developing green and black belts (those trained in LSS implementation) to lead and contribute to teams and projects in support of the continuous improvement of our processes. It is essential that your workforce continue to receive this training so that they can develop the knowledge base required to fully examine and continuously improve the Army's business processes. Your Deployment Director is the critical link in guiding the implementation of LSS studies and ensuring the best utilization of the black and green belts in your organization.

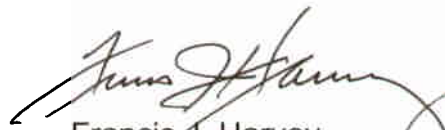
10. A more detailed discussion of business transformation through LSS is posted on the Army Business Transformation website (<http://www.army.mil/aeioo/sasabt/>). It is essential that everyone embrace Lean Six Sigma practices and that we integrate them into our organizational culture. We will better understand and balance risks and greatly increase the level of success in transforming the Army if we maximize use of the LSS methodologies.

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11. The Army must seek continuous, measurable improvement in business processes because this is the foundation for the adaptive, learning culture that we are building in the Army. Leaders at all levels must create and nurture the culture of continuous improvement, thereby dismissing the myth that the Army is too big for substantial, persistent change to occur. All Army leaders are stakeholders in the successful execution and outcome of business transformation. Our collective mandate is clear: the daily deliberate pursuit of increased effectiveness and efficiency. Together we will continue to transform the Army for the future.



Peter J. Schoomaker
General, United States Army
Chief of Staff



Francis J. Harvey
Secretary of the Army

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